

National Minorities Development & Finance Corporation (NMDFC)

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In News: The National Minorities Development & Finance Corporation (NMDFC) was incorporated on 30th September 1994, with the objective of promoting economic activities amongst the backward sections of notified minorities.

About NMDFC

- The National Minorities Development & Finance Corporation (NMDFC) was incorporated on 30th September 1994, as a company not for profit, under Section 25 of the Companies Act 1956 (now Section-8 of Companies Act, 2013).
- It is a National Level Apex Body for the benefit of Minorities as defined under the National Commission for Minorities Act 1992.
- The prime mandate of NMDFC is to provide concessional finance to the Minorities for self employment/ income generation activities.
- As per the National Commission for Minorities Act, 1992, the notified Minorities are Muslims, Christians, Sikhs, Buddhists & Parsis. Subsequently, Jain community was also added into the list of notified Minority Communities in January 2014.
- Under the NMDFC program, preference is given to Artisans & Women.
- The National Minorities Development & Finance Corporation (NMDFC) is functioning under the administrative control of the Ministry of Minority Affairs.
- The NMDFC is a Public Sector Undertaking, registered

under the Section 25 of the Companies Act 1956, as a “Company not for profit”.

Aims & Objectives

- To promote economic and developmental activities for the benefit of “Backward Sections” amongst the Minorities, preference being given to the occupational groups and women;
- To assist, subject to such income and/or economic criteria as may be prescribed by the Government from time to time, individuals or groups of individuals belonging to the Minorities by way of loans and advances for economically and financially viable schemes and projects; under micro-financing scheme, group of individuals belonging to the minorities will include such groups in which predominantly (75% and above) members belongs to the Minority Community.
- To promote self-employment and other ventures for the benefits of Minorities;
- To grant loans and advances at such rates of interest as may be determined from time to time in accordance with the guidelines or schemes prescribed by the Central Government or by the Reserve Bank of India;
- To extend loans and advances to the eligible members belonging to the Minorities for pursuing general/professional/technical education or training at graduate and higher level;
- To assist the up-gradation of technical and entrepreneurial skills of Minorities for proper and efficient management of production units;
- To assist the State level organisations dealing with the development of the Minorities by way of providing financial assistance or equity contribution and in obtaining commercial funding or by way of refinancing;
- To work as an apex institution for coordinating and monitoring the work of all corporations/boards/other

bodies set up by the State Government/Union Territory Administrations for, or given the responsibility of assisting the minorities for their economic development and

- To help in furthering the Government policies and programmes for the development of Minorities.

Minorities

Muslims, Sikhs, Christians, Buddhists, Jains and Zoroastrians (Parsis) have been notified as minority communities under Section 2 (c) of the National Commission for Minorities Act, 1992.

▪ Constitutional Provisions:

- The term “minority” is not defined in the Indian Constitution. However, the Constitution recognises only religious and linguistic minorities.
- Article 29: It provides that any section of the citizens residing in any part of India having a distinct language, script or culture of its own, shall have the right to conserve the same.
- Article 30: Under the article, all minorities shall have the right to establish and administer educational institutions of their choice.
- Article 350-B: Originally, the Constitution of India did not make any provision with respect to the Special Officer for Linguistic Minorities. But, the Seventh Constitutional Amendment Act of 1956 inserted Article 350-B in the Constitution.

Parliamentary Provisions:

- National Commission for Minorities Act, 1992: It defines a minority as “a community notified as such by the Central government.”